

Ordinance No: _____

**AN ORDINANCE TO AMEND CHAPTER 48
CODE OF ORDINANCES CITY OF MEMPHIS SO AS TO
ESTABLISH A RENTAL PROPERTY PERMIT FEE**

WHEREAS, the Memphis City Council has a responsibility, along with the Administration, to insure the health, safety and well-being of all citizens; and

WHEREAS, many communities throughout the City of Memphis have been hard hit by the decline of the housing market resulting in an increased number of rental properties; and

WHEREAS, the City of Memphis has incurred increased costs due to the rising number of absentee landlords who are derelict in their responsibility of maintaining their properties; and

WHEREAS, the Memphis City Council deems it necessary to enact a residential housing permit program that will help protect those citizens susceptible to these landlords and provide funding to recoup the City's expenses when dealing with these properties.

SECTION 1. NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS that Chapter 48 of the Code of Ordinances of the City of Memphis is hereby amended to create the Residential Housing Permit Program

ARTICLE XII. RESIDENTIAL HOUSING PERMIT PROGRAM.

48-260. Purpose and Intent

The City of Memphis recognizes the need for a registration for residential rental units located within the City in order to ensure rental units meet all applicable building, existing structures, fire, health and zoning codes, and to provide an efficient system for compelling both absentee and local landlords to correct violations and maintain, in proper condition, rental property within the City. The operation of rental residential properties is a business enterprise that entails certain responsibilities. Operators are responsible to take such reasonable steps necessary to assure that tenants who occupy such units are provided surroundings that are safe, secure, sanitary and free from unreasonable fears about safety of persons and security of property.

48-261. Definitions

As used in this article, the following terms and words shall have the following meanings,

unless the context clearly indicates that a different meaning is intended:

- (a) "Apartment house" means a building containing three or more dwelling units.
- (b) "Apartment," "apartment unit," or "dwelling unit" means a building, or portion thereof, designed for occupancy for residential purposes and having cooking facilities and sanitary facilities.
- (c) "Rental Home" means a one or two- family dwelling which is occupied by persons other than the owner.
- (d) "Family" means one or more persons occupying a dwelling unit and living as a single, nonprofit housekeeping unit, as distinguished from a group occupying a hotel, club, fraternity or sorority house. The term "family" does not include a group of individuals, exceeding three in number, not related by blood, marriage or adoption. The term "family" includes necessary employees.
- (e) "Landlord" means any person who owns or controls a dwelling, dwelling unit or rental unit and rents such unit, either personally or through a designated agent, to any person.
- (f) "Tenant" means any individual who has the temporary use and occupation of real property owned by another person in subordination to that other person's title and with that other person's consent; for example, a person who rents or leases a dwelling, dwelling unit, or rental unit from a landlord.
- (g) "City" means the Division of Public Works, Department of Code Enforcement, Division of Finance, Permits Office or other entity that the City of Memphis has legally designated to perform a function on its behalf.

48-262. Permit Required

No person shall lease, rent, occupy, or otherwise allow a rental unit within the City to be occupied, without first obtaining a rental permit from the Permits Office.

48-263. Permitting Procedure

- (1) A permit can be acquired after the owner of the rental unit shall have registered the property with the City by fully completing and filing a current application either on-line or in paper form. The application must contain the following information and any other information that the Director of Public Works may require to assess compliance with the housing code and this section:

- (a) The street address and block and lot number of the rental unit(s);
- (b) The number and types of rental units within the rental property;
- (c) Name, residence address, telephone number, and where applicable an E-mail address, mobile telephone number, and facsimile number of all property owners of the rental unit(s);

- (d) Name, residence address, telephone number, and where applicable an E-mail address, mobile telephone number, and facsimile number of the responsible local agent designated by the owner;
- (e) The maximum number of tenants permitted for each rental unit;
- (f) The name, address, telephone number and where applicable an E-mail address, mobile telephone number, and facsimile number of the person authorized to collect rent from the tenants;
- (g) The name, address, telephone number and where applicable an E-mail address, mobile telephone number, and facsimile number of the person authorized to make or order repairs or services for the property, if in violation of City or State codes, if the person is other than the owner or the responsible local agent;
- (h) The name, address and telephone number of any lien-holder(s) on the rental unit or the real property on which the rental unit is located at time of annual registration.
- (i) The name, telephone number and of all lease-holders, number of occupants and the termination date of the lease;
- (j) A copy of a current valid occupancy permit for the property be provided at the initial application but shall not be necessary unless there is a transfer of property.

(2) ***Accurate and Complete Information.*** All information provided on the registration form shall be accurate and complete. No person shall provide inaccurate information for the registration of a rental unit, or fail to provide the information required for such registration. The registration form shall be signed by the property owner(s) or the designated responsible local agent, where applicable. When the owner is not a natural person, the owner information shall be that of the president, general manager or other chief executive of the organization. When more than one person has an ownership interest, the required information shall be provided for each owner.

(3) ***Change in Registration Information or Transfer of Property.***

- (a) Except for a change in the registered local agent, the property owner of a rental unit registered with the City shall re-register within sixty (60) calendar days after any change occurs in the registration information.
- (b) If the property is transferred to a new owner, the new property owner of a registered rental unit shall re-register the rental unit within sixty (60) calendar days following the transfer of the property.
- (c) Property owners shall notify the Code Enforcement and Permits Office of any change in the designation of the registered local agent, including a change in name, address, E-mail address, telephone number, mobile telephone number or facsimile number of the designated registered local agent within five (5) business days of the change.
- (d) A change in the lien-holder or tenants shall be made upon annual

registration

- (4) **Registration Term and Renewals.** Registration of a rental unit shall be effective for one (1) year. All registrations shall expire on December 31st of each year. The property owner shall re-register each rental unit with the City, thirty (30) calendar days prior to the expiration of the registration of the rental unit (December 1st of each year).
- (5) A permit will be denied unless of the following requirements are met:
 - (a) All requirements pertaining to inspection are met
 - (b) All fees charged by the City for the registration of the rental unit shall be paid in full
 - (c) All real estate, business taxes and housing court judgments are paid in full
 - (d) If the applicant is a partnership or corporation, the business license shall be made available upon request from the City.

48-264. Posting of the Rental Permit or Notice of Non-compliance

- (1) The rental permit shall be displayed in a conspicuous place in each rental unit at all times, along with the name, address and telephone number of the responsible local agent.
- (2) If the owner does not comply with this Chapter a notice of non-compliance may be placed on the building in a manner determined by the Chief of Building Inspection.

48-266. – Voluntary Inspections and Certificate of Safety

- (1) An owner of a registered rental property shall obtain a certificate of safety from the City, providing there are no violations, by voluntarily having their property inspected by the City for a fee.
- (2) The Certificate of Safety shall contain the specific items that the property has been inspected for and performed in a manner determined by the Public Works Director.
- (3) The certificate of safety shall be valid for a period of two (2) years.
- (4) The City shall maintain no liability in regards to the certificate of safety.

48-267. Fees

- (1) The City Council shall establish, by resolution, an appropriate fee for rental permit registration and inspections and may review and increase such fees

on an annual basis. The initial fee structure shall be set forth in the initial passing of this ordinance.

- (2) Where a re-inspection must be made to ensure conformity with this Chapter for those rental units that have been issued violation notices, the City will charge a separate inspection fee for every inspection only when it is found that the violation has not been abated or corrected.

(4) ***Fee Schedule:***

a. *Annual Rental Registration Permit:* Ten dollars (\$10.00) per parcel

b. Building Inspection Fee Required for Registration:

Single-Family and Duplex \$30 per home

Multi-family

Thirty dollars (\$30) per unit for first unit, fifteen dollars (\$15) for second unit within same building, five dollars (\$5) per unit for all subsequent units within same building. Total amount not exceed \$15,000

c. *Replacement of Certificate of Safety or a valid Rental Permit:* Five dollars (\$5.00).

48-268 – Initial Implementation.

Initial implementation shall begin no later than October 1, 2012 in a manner determined by the City, but in any case all Rental Permit Registrations must be completed and paid in full no later than May 1, 2013.

48-269 - Penalty.

Violation of this Chapter shall be a summary offense. The fine for each separate violation shall be a fine not to exceed fifty dollars (\$50.00) per rental unit that is not registered or inspected as required by this Chapter, plus any fees that have been charged for inspection if applicable. Inspection fees shall not be waived or reduced.

SECTION 2. BE IT FURTHER ORDAINED, that the provisions of this Ordinance are hereby severable. If any of these sections, provisions, sentences, clauses, phrases, or parts are held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect.

SECTION 3. BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, that this ordinance shall take effect from and after the date it shall have been passed by the Council, signed by the Chairman of the Council, certified and delivered to the Office of Mayor in writing by the comptroller and become effective as otherwise provided by law.

Edmund Ford, Jr., Ed.D.
Council Member

Bill Morrison
Council Chairman

Attest:
Patrice Thomas, Comptroller